

M. JODI RELL
GOVERNOR

STATE OF CONNECTICUT
EXECUTIVE CHAMBERS

June 4, 2009

The Honorable Susan Bysiewicz
Secretary of the State
20 Trinity Street
Hartford, CT 06106

Dear Secretary Bysiewicz:

I am returning to you without my signature Senate Bill 1162, *An Act Concerning Expenditures of Appropriated Funds Other than the General Fund*.

Senate Bill 1162 establishes a procedure for developing consensus revenue estimates in the event that the Secretary of the Office of Policy and Management (OPM) and the Director of the legislative Office of Fiscal Analysis (OFA) cannot agree on a revenue estimate.

Revenue estimates have traditionally been developed and adopted by the Finance, Revenue and Bonding Committee of the General Assembly based upon input received from the Secretary and the Director. This process has been successfully utilized during my entire tenure in public service, a period that includes the boom times of the mid-1980s as well as the tumultuous introduction of the state income tax in 1991 and the financial instability that occurred after the devastating attacks on our nation on September 11, 2001. I see no reason why this process, which has served us so well in good times and bad, cannot serve us equally well in 2009 and beyond.

The bill requires that if the Secretary and the Director cannot agree on a consensus revenue estimate, the Comptroller will have ten days to analyze their respective estimates and issue a consensus revenue estimate. Similarly, with respect to revisions to consensus revenue estimates, if OPM and OFA have been unable to agree upon revised estimates, the Comptroller is given five days to produce a revised estimate. If OPM and OFA, with their years of experience in estimating revenue, have been unable to agree upon a consensus estimate, it is naïve to believe that the Comptroller's Office, which has never previously been involved in this process, is going to be able to reach a consensus figure within these timeframes.

With respect to the budget for the upcoming biennium, Senate Bill 1162 interrupts the ongoing budget negotiations by immediately establishing a five-day period during which the Secretary and the Director must attempt to reach a consensus revenue estimate. If they do

STATE CAPITOL, HARTFORD, CONNECTICUT 06106

TEL: (860) 566-4840 • FAX: (860) 524-7396

www.ct.gov

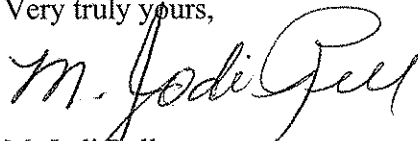
not agree on a consensus figure within five days, the Comptroller must immediately issue a consensus figure. The budget negotiations presumably then would resume. Ultimately, the only effect of this provision will be to insert a five-day timeout in the budget negotiations that have been ongoing for several months.

Finally, if no budget is in place for the biennium ending June 30, 2011 on the effective date of the act, then within ten days the Appropriations and Finance Committees must prepare and vote upon "adjusted appropriation and revenue plans" and the Governor must provide a budget document to the General Assembly. Unfortunately, neither of these provisions make it any more likely that the General Assembly will adopt a budget that I will sign into law.

Over the last several months I have been intimately involved in trying to address the State's revenue and budgetary problems. I have prepared two budgets and numerous deficit mitigation plans. I have implemented a hiring freeze and a spending freeze and taken state cars off the road. Having taken these and numerous other administrative actions to address the State's decreased revenues, I understand to a greater degree than anyone the frustration and disillusionment with the lack of legislative leadership on budgetary issues. The additional procedures contained in this bill, however, are not the answer. We must live up to the expectations of our constituents and make the hard decisions required to enact a responsible and balanced budget, not delegate those decisions to other parties.

Accordingly, pursuant to Section 15 of Article Fourth of the Constitution of the State of Connecticut and Article III of the Amendments to the Constitution of the State of Connecticut, I am returning Senate Bill 1162 without my signature.

Very truly yours,

A handwritten signature in black ink, appearing to read "M. Jodi Rell". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

M. Jodi Rell
Governor